



National Infrastructure Protection Center NIPC Daily Open Source Report for 06 February 2003

Current Nationwide
Threat Level is



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www.whitehouse.gov/homeland

Daily Overview

- The Media General News Service reports the Defense Department is developing a short-term enlistment category of 18 months in order to encourage college graduates to enlist as a patriotic act of national service. (See item [10](#))
- CNN reports that in opening remarks on Wednesday to the UN Security Council, U.S. Secretary of State Colin Powell used electronic intercepts, satellite photographs and other intelligence sources to argue that Iraq had failed to comply with UN resolutions and was actively working to deceive weapons inspectors. (See item [23](#))
- Microsoft has released "Security Bulletin MS03-005: Unchecked buffer in Windows Redirector could allow privilege elevation (Critical)," and recommends a patch be installed immediately. (See item [26](#))
- Microsoft has released "Security Bulletin MS03-004: cumulative patch for two vulnerabilities involving Internet Explorer's cross-domain security model (Critical)," and recommends a patch be installed immediately. (See item [27](#))
- Note from the Editor: As of 3 February, the NIPC Daily Open Source Report is being distributed through a new list service. While significant effort has been done to ensure smooth transition, problems are bound to occur. Please notify nipcdailyadmin@mail.nipc.osis.gov with any comments, concerns, questions, or problems.
- Note from the Editor: Both the PDF and Word versions of the daily are posted to the NIPC Web Site at <http://www.nipc.gov/dailyreports/dailyindex.htm>

NIPC Update Fast Jump

Production Industries: [Energy](#); [Chemical](#); [Defense Industrial Base](#)

Service Industries: [Banking and Finance](#); [Transportation](#); [Postal and Shipping](#)

Sustenance and Health: [Agriculture](#); [Food](#); [Water](#); [Public Health](#)

Federal and State: [Government](#); [Emergency Services](#)

IT and Cyber: [Information and Telecommunications](#); [Internet Alert Dashboard](#)

Other: [General](#); [NIPC Web Information](#)

Energy Sector

Current Electricity Sector Threat Alert Levels: Physical: Elevated, Cyber: Elevated

Scale: LOW, GUARDED, ELEVATED, HIGH, SEVERE [Source: ISAC for the Electricity Sector (ES-ISAC) – <http://esisac.com>]

1. *February 05, Reuters* — **Davis, CA weighs dropping PGE for public power . A public power fight is looming in California with the city of Davis considering a break from giant utility Pacific Gas & Electric Co. to hook up with the Sacramento Municipal Utility District, (SMUD).** Officials from Davis, an agricultural and university town about 15 miles west of Sacramento, the state capital, will meet on Tuesday with a committee of the SMUD board of directors to explore annexation by SMUD in a bid to drive down electricity costs and improve reliability. Pacific Gas & Electric (PG&E), the state's biggest utility and subsidiary of San Francisco-based PG&E Corp. , has provided electricity to the Davis area for almost 100 years, a utility spokeswoman said. The company has fought hard to defeat repeated public power voter initiatives in San Francisco. A Davis "citizens task force" has urged the city to explore a takeover, claiming that a comparison of SMUD and PG&E "shows that it is possible to provide electric service at substantially lower rates, typically 30 percent–50 percent lower bills for comparable and higher reliability than Davis presently enjoys." Pacific Gas & Electric counters that power rates in Davis would have to increase to pay for the costs of acquiring PG&E's local power system and other "transition" costs. **SMUD, which delivers electricity to 530,000 customers in and around the capital, "is open to exploring annexation but that will be determined by the board of directors," said John DiStasio, assistant general manager for customer service.** A detailed study by SMUD and Davis would take six to nine months, DiStasio said, adding the City of West Sacramento also is interested in joining SMUD. Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3622031
2. *February 04, Daily Press (Newport News, VA)* — **Surry, VA, nuclear power station manager disputes terror vulnerability study. A successful terrorist attack on spent nuclear–fuel storage sites could have disastrous consequences, suggests a study in an upcoming Princeton journal.** An attack on spent–fuel storage pools such as those at Surry Power Station could produce results "significantly worse than Chernobyl," according to a New York Times account of the study. An airplane crashing into a spent–fuel storage pool, where used uranium is kept to cool, could cause an explosion that would release radiation from the spent fuel, the study reports. But local officials with Dominion Virginia Power and other nuclear experts think the study is overblown and riddled with speculation. Since Sept. 11, 2001, the nuclear industry has argued that an airplane attack is unlikely to harm spent–fuel sites, which are designed to withstand tornadoes, earthquakes and hurricanes. **Surry's fuel storage security and safety measures are "robust," said Richard R. Zuercher, Dominion's manager for nuclear public affairs. The study also fails to include the probability of whether the events needed to cause such a disaster could even occur, said Per F. Peterson, chair of the nuclear engineering department at the University of California at Berkeley. Peterson is one of a handful of experts who have reviewed a draft report of the study.** Studying the risk is important because unless the federal government opens a permanent burial site, such as the one being studied at Yucca Mountain, nuclear plants will continue to store their own spent fuel. Yucca Mountain would accept spent fuel in 10 years at the earliest. The authors briefed nuclear officials and some members of Congress on the report last week. The authors include Frank N. von Hippel, a Princeton physicist; Gordon R. Thompson, director of the nonprofit Institute for Resource and Security Studies; Alison Macfarlane, of the Securities Studies Program and the

Massachusetts Institute of Technology; Edwin Lyman, president of the Nuclear Control Institute; and Robert Alvarez, a former adviser to the U.S. energy secretary. **They suggest reinforcing dry storage casks and designing them so that burning jet fuel could not overheat them. They also suggest spending roughly \$3.5 billion to \$7 billion to move some fuel from storage pools to dry casks in safer places. Here again, Dominion officials and other nuclear experts disagree. Zuercher said money is best spent on safeguards that prevent terrorists from hijacking planes in the first place.**

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3621662

3. *February 04, Associated Press* — **Bush's budget for the Dept. of Energy.** The new budget calls for spending \$23.4 billion which is a 5.9 percent increase over the 2003 budget. **A few budget highlights: it would expand programs to develop clean coal technologies, safeguard nuclear materials, move ahead with a proposed nuclear waste site in Nevada, and spur development of hydrogen fuel cells. It calls for spending \$7.2 billion for environmental cleanup of radioactive waste left over from Cold War nuclear weapons production, a slight increase over this year. It also earmarks \$6.2 billion, an increase of \$533 million, for maintaining current nuclear warheads. It calls for \$321 million for research into clean coal technology as part of a 10-year, \$2 billion program, double the spending on such programs in recent years.** As previously announced, the budget would provide \$273 in fiscal 2004, as part of a \$1.5 billion, five-year program to promote development of hydrogen fuel-cells for cars and small power stations. The department, also as announced earlier, proposes spending \$1.3 billion, an increase of 30 percent, to improve safeguards on nuclear material, mostly in Russia, and expand programs to monitor possible trafficking in nuclear materials that could be used in a "dirty" bomb

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3622092

4. *February 04, PR Newswire* — **TECO Power Services, Panda Energy sign 200-megawatt contract for Gila River Power Station .** Gila River Power Station, owned jointly by TECO Power Services and Panda Energy International, today announced a 200-megawatt purchased power agreement with Nevada Power. The agreement, which is pending regulatory approval, covers the months of June through September for 2003, 2004 and 2005. TPS President Rick Ludwig said, "We're pleased to do business with Nevada Power, and to secure this contract for a portion of the output of our high- efficiency, low-emission Gila River Power Station. **The Gila River facility will provide 200 megawatts of capacity to help Nevada Power meet its summer demand and provide safe, reliable service to its customers for the next three years.**" Panda Energy President Todd Carter stated, "This is an important first step for one of the two largest natural gas plants in the United States. The Gila River facility will not only meet the energy needs of Nevada Power, but will also supply clean and affordable electricity to Arizona." Gila River Power Station is one of two facilities being constructed by the TECO Panda Generating Company joint venture. **Gila River is expected to come on line in four phases this year, starting in the spring and concluding in the summer. Gila River's sister station, the Union Power Station, is under construction in El Dorado, Arkansas.**

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3622223

5. *February 04, Reuters* — **U.S. utilities protest PJM grid upgrades policy .** PJM Interconnection's proposed rules for transmission upgrades and connecting new merchant facilities to its grid should not be allowed to set a precedent for other regional power grids, an

industry trade group told the Federal Energy Regulatory Commission (FERC). **PJM, which runs the grid for mid-Atlantic states, is the nation's most-developed regional market for wholesale electricity. It is in negotiations with the Midwest Independent Transmission System Operator (ISO) to develop a common market that would eventually stretch from the Appalachians to the Rockies and into Canada.** A key issue for PJM — and the nation's other emerging regional power markets — is how to create incentives for transmission upgrades and connecting new power plants to the grid. Large utilities have demanded that they get the first opportunity to build transmission expansions and upgrades within their operating areas, or footprint, rather than merchant power companies. **The Edison Electric Institute, which represents most major U.S. utilities, said PJM's proposal "raises issues" about merchant transmission policies that FERC should consider in a broad rulemaking case.** The PJM case has attracted the attention of more than two dozen utilities, merchant power companies and consumer protection groups, which have filed comments with FERC. PJM's proposed rules are pending before FERC in docket ER03-405.

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3622057

6. *February 04, Missoulian (Montana)* — **Energy conservation helps improve power outlook.** Montana's power predictions are bright for the near future, in large part because power users in the region are making electricity conservation a top priority. Last month, power industry analysts painted a gloomy picture for Montana, saying the entire Northwest region faced a high probability of electricity shortages by 2006. A revised analysis released this week, however, indicates the lights may stay on a while longer. **Previously, the Northwest Power Planning Council predicted a 15 percent likelihood that the region would be dimmed by shortages by 2006. The new forecasts, however, show the probability of power shortages at less than 1 percent this year, and no greater than 6 percent by 2006. Revised estimates of when water would be available for power generation during the winter of 2003, as well as an updated protocol for the use of emergency hydropower, made the difference, council staff reported.** In addition, the chance of power shortages also was reduced considerably when new power plants came online and users found ways to conserve electricity. **Since January 2000, Karier said approximately 410 megawatts of wind power, 2,600 megawatts of natural gasfired power plants and 200 megawatts of energy conservation have been added to the region's power supply. Collectively, those 3,210 megawatts are enough to supply more than 2.5 million homes. One way to address that potential problem is through continued energy conservation, which will slow the inevitable increase in demand.** Generally, high prices and supply shortages are market forces that prompt conservation, and 2001 was a banner year for energy conservation in the Pacific Northwest. The Northwest Power Planning Council, which prepared both the energy supply forecast and the conservation survey, is an agency of the states of Montana, Idaho, Oregon and Washington. It is charged with providing for the needs of Columbia River Basin fish and wildlife while at the same time ensuring an adequate and affordable regional hydropower supply.

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3622209

7. *February 04, Journal Star, (Peoria, IL)* — **Bush's proposed budget drops farm bill energy incentive.** Energy independence was one of the items President Bush championed in his State of the Union address last week. But the administration's proposed 2004 budget eliminates all funding for the energy title in the farm bill. Environmental groups charge that would eliminate incentives for farmers and rural small businesses to make energy efficient improvements. **The**

energy title — section 9006 of the farm bill — was a popular feature of the bill, gaining support from both Democrats and Republicans, said Howard Learner, executive director of the Environmental Law and Policy Center in Chicago. "Section 9006 is a 'win-win-win' for farmers, economic development and the environment because it helps farmers diversify their income with clean energy 'cash crops,' and promotes rural economic development, while making the environment cleaner for everyone," he said. One of the programs impacted by a possible funding cut would be alternative energy programs such as wind farms that offer benefits to farmers throughout the country, said Learner. Jim Clebaugh is a Quincy farmer who's concerned about the proposed lack of funding for the energy title. He heads a group of 26 farmers in Adams and Pike Counties who want to develop a wind farm cooperative in that area of western Illinois. The wind farm concept would allow farmers to place wind turbines on their ground to produce energy that could sold back to a utility.

Source: http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=3621761

8. *February 03, The Times, (Munster, IN)* — **Indiana bill would leave public utilities more accountable.** Indiana state House Democrats said Monday a utility reform bill would give state regulators fining and merger authority so they can hold most public utilities accountable for poor service and complaint resolution. **House Bill 1529 would give the Indiana Utility Regulatory Commission (IURC) the ability to approve certain mergers and impose fines up to \$15,000 for electric and gas utilities that fail to comply with state rules and regulations. It would also change certain tracker mechanisms that regulate how utilities can pass along costs to customers that result from government-mandated environmental and capital investments.** However, the Citizens Action Coalition, a consumer advocacy group often pitted against utilities, said the bill would also allow companies like Northern Indiana Public Service Co. in Northwest Indiana to pass along millions in costs. By allowing automatic approval of adding pollution or construction costs to its rate base, the bill would take away regulators' ability to set a fair rate in return for monopoly status, a coalition release said. In the past, efforts to reform utilities have passed the House but failed in the Senate. Bill McCarty, chairman of the IURC, said he supports the bill and is optimistic the Senate will finally vote on it.

Source: http://pro.energycentral.com/professional/news/power/news_article.cfm?id=3621638

9. *February 03, Reuters* — **FERC says capital drought threatens U.S. energy supply. The power and natural gas industry will face serious supply problems within three years if it cannot draw new money from capital markets, the head of the Federal Energy Regulatory Commission (FERC) said on Monday.** "If we live in the world that we've been in for the past 18 months with the unavailability of credit at almost any price ... then we're going to be in a real (mess) in about another 18 months to three years," FERC chairman Pat Wood told a news conference here. **Power and gas companies have been hard hit over the past year by a series of credit downgrades and higher trading costs that have limited their ability to mitigate financial risks in the derivatives markets. That, in turn, has sharply curtailed investments in new power plants, power lines and gas pipelines, Wood said.** Power plants typically take about three years to bring on line including the time needed for financing, permits and construction. That timeframe is about two years for gas pipelines and five years for power lines. **Most regions of the country are currently well supplied by the energy infrastructure, he said, but new investments are not being made.** A survey of 25 energy executives by Bauer

College showed half were less positive about the state of nation's push to deregulate its electricity market than they were a year ago, according to Craig Pirrong, finance professor and director of energy markets at Bauer College. Nearly two-thirds of the executives did not expect the industry to emerge from its credit ratings crisis before the second half of 2004.

Source: http://biz.yahoo.com/rf/030203/utilities_ferc_1.html

[\[Return to top\]](#)

Chemical Sector

Nothing to report.

[\[Return to top\]](#)

Defense Industrial Base Sector

10. *February 05, Media General News Service* — **Defense Department creates shorter enlistment option. In a move that some analysts are calling the most important change in military recruitment since the end of the draft, the Defense Department is developing a short-term enlistment category of 18 months.** The idea is to encourage college graduates who normally would not consider a military career to enlist as a patriotic act of national service. Few college graduates now see enlisting in the military as an option because most enlistments are for four years, said Charles Moskos, a Northwestern University military sociologist who developed the idea. They may want to serve their country. They may be intrigued by going overseas. But they don't want to commit for four years. Offer an option of 18 months of active service, Moskos said, and interest jumps. Sens. John McCain, R-Ariz., and Evan Bayh, D-Ind., embraced Moskos' proposal and pushed it through Congress last year. The Defense Department has until March 31 to devise a plan to fulfill what the senators dubbed the "Call to Service Act." By Oct. 1, the first recruits will head for boot camp. **A report by the Progressive Policy Institute, a think tank for centrist Democrats, called the new plan "the most important change in America's military recruitment policy since the end of the draft." But the Defense Department didn't seek it. "We just came off our best recruiting year in quite a while," said Robert Clark, assistant director for accession policy. "To meet our numbers, we did not need this new program."** Some military manpower experts question whether the armed forces will be well served by the program. While they favor encouraging more college graduates to enlist, the services fear that short-term enlistments could cause "turbulence" within what has become a well-oiled military machine, Clark said.

Source: <http://www.tampatrib.com/MGAW5R7XPBD.html>

[\[Return to top\]](#)

Banking and Finance Sector

11. *February 05, silicon* — **Banking and utilities at risk from cyberattack. Banking and utilities are two of the most at-risk sectors when it comes to the threat of attack by malicious code, such as hacks, worms and viruses,** according to Symantec's Internet Security Threat Report. While **both industries have the financial clout to protect their systems** —

and arguably have the most to lose by not doing so — they also present both the greatest challenge and the greatest 'results' should a hacker or virus writer breach their defenses. Over the second half of 2002, Symantec, an Internet technology security company, recorded an average of 987 attacks per company in the power and energy sector. In second place were non-profit organizations with an average of 869 attacks per company. Third spot went to telecoms (845), fourth was high-tech (753) and fifth was banking and finance (689). However, **in terms of the level of severe attacks, the report says the top three were power and energy, banking and finance and non-profit.** Almost 70 per cent of attacks targeted at power and energy companies were deemed to be severe, while for banking and non-profit organizations the figure was 48.1 percent and 30.4 percent respectively.

Source: <http://news.zdnet.co.uk/story/0,,t269-s2129944,00.html>

[\[Return to top\]](#)

Transportation Sector

12. *February 05, General Accounting Office* — **National Airspace System: Better Cost Data Could Improve FAA's Management of the Standard Terminal Automation Replacement System.** The General Accounting Office (GAO) today published report GAO-03-343 entitled "National Airspace System: Better Cost Data Could Improve FAA's Management of the Standard Terminal Automation Replacement System." The report was dated January 31. The GAO was asked to provide an assessment of the Federal Aviation Administration's (FAA's) Standard Terminal Automation Replacement System (STARS), a system which is planned to replace outdated air traffic control equipment. GAO was asked to assess the reliability of FAA's life-cycle cost estimate for STARS, determine the impact of STARS's estimated costs on future FAA budgets, and identify any alternatives to STARS that FAA is considering. GAO recommends that the Secretary of Transportation maintain accurate and current baseline data; review baseline data within 6 months of any major modification, and prepare a rigorous life-cycle cost estimate that identifies the level of uncertainty.

Source: <http://www.gao.gov/cgi-bin/getrpt?GAO-03-343>

13. *February 04, U.S Department of Transportation* — **DOT issues rule on security requirements for Canadian truck, rail operators.** The U.S. Department of Transportation (DOT) has issued temporary regulations that will provide for security checks of Canadian truck and rail operators carrying explosives to the United States to ensure that the operators do not pose a security risk. **Under the interim final rule (IFR) issued by the Transportation Security Administration (TSA),** which has been posted at the Federal Register and will be published Feb. 6, **carriers of explosives from Canada to the United States by truck or rail must register with Transport Canada, the Canadian government agency responsible for transportation safety.** Transport Canada will conduct checks to ensure that both the carriers and their customers who ship explosives are legitimate entities. Transport Canada also will check the drivers to ensure that they pose no security concerns. Transport Canada will then forward lists of approved carriers, shippers and drivers to the TSA, which will make additional checks as appropriate and forward the lists to the U.S. Customs Service. **Customs will allow Canadian explosives carriers to enter the United States only if the carrier, shipper and operator are on the approved list.** The public will have 30 days to comment on the IFR,

which is intended only as a temporary measure until the department completes consultations with Canada and other U.S. government agencies and issues more comprehensive regulations regarding background checks of persons transporting hazardous materials. **DOT is also consulting with the government of Mexico to develop a similar system of security checks and will amend its rules to include Mexican explosives carriers in the near future.**

Source: <http://www.dot.gov/affairs/dot01203.htm>

14. *January 31, Buffalo News* — **ID system makes debut at crossing.** Frequent travelers between the United States and Canada can look forward to smoother border crossings with the arrival of NEXUS. **The new, binational program for low-risk travelers made its debut at the Buffalo, New York's Peace Bridge on Thursday, lauded by U.S. and Canadian government representatives as a major leap in border security and efficiency. Under NEXUS, Americans and Canadians who make frequent cross-border trips can avoid long waits for clearance by undergoing an extensive background check that pre-clears them to make the trips.** Those who pass muster with U.S. and Canadian authorities as "low risk" are issued special photo ID cards with imbedded micro-antennas that beam their identities as they approach designated NEXUS lanes. The entire process takes 10 seconds and does not require drivers to be questioned by border agents. The Peace Bridge is currently the only border crossing in the Buffalo region to offer a NEXUS lane. However, designated lanes will open on the Whirlpool, Rainbow and Lewiston–Queenston bridges in time for the summer travel season. Border-wide, only a handful of crossings in Washington and Michigan, and now Buffalo, are offering NEXUS lanes. However, the national program is expected to be expanded in New York and throughout New England in the coming months. **Currently, 45,000 Americans and Canadians have applied for NEXUS cards, with about 30,000 getting approval.**

Source: <http://www.buffalonews.com/editorial/20030131/1030568.asp>

[\[Return to top\]](#)

Postal and Shipping Sector

15. *February 05, Financial Times* — **Security lapse revealed over crews of army supply ships.** The UK Ministry of Defense (MoD) has failed to vet crews of "flags of convenience" ships chartered to ferry military supplies to the Gulf for a possible invasion of Iraq, it emerged yesterday. The security lapse was revealed in a letter to Numast, the officers' union, from Adam Ingram, armed forces minister, who also confirmed that the government had not placed any nationality limit on the crews. Ingram wrote: "Crew nationality has not been specified and there are no checks on foreign crews." The policy is in contrast to the security checks carried out by the U.S. Department of Defense. Bernard Jenkin, shadow UK defence secretary, said he planned to raise the issue with ministers: "This is potentially most alarming." Andrew Linington, of Numast, said the failure of the MoD to vet crews "raises serious security concerns." **In the aftermath of the September 11 attacks, intelligence agencies raised concerns that al Qaeda terrorists might have infiltrated the poorly regulated shipping industry.** An official at the RMT transport union confirmed that seafarers' documents were "relatively easy to get hold of", allowing terrorists to infiltrate crews. **Officials at the MoD were taken aback by the contents of Ingram's letter, which said some precautions were put in place with UK military personnel accompanying vessels "where deemed**

necessary" for cargo such as weapons and hardware.

Source: <http://news.ft.com/servlet/ContentServer?pagename=FT.com/StoryFT/FullStory42491504311>

16. *February 04, Seattle Daily Journal of Commerce* — **Port of Quincy to build rail facility. The Port of Quincy, in Washington, has obtained a \$3.8 million in federal funds for a construction project to boost employment in Grant County. The port will begin building 3,000 feet of rail and associated infrastructure to an intermodal loading facility.** The project consists of a 320-acre intermodal site in the center of Washington. The port is the hub between the major highways in the state and the Burlington Northern Santa Fe Railroad mainline. The port has placed its operation to facilitate nearly 100,000 annual cargo movements into the ports of Seattle and Tacoma from Eastern Washington. Port officials say they have begun discussions with importers and major retailers on operating distribution centers within the intermodal facility. **Commissioner Brian Kuest said the port has the commitment of local shippers to use the facility to move products to the state seaports. Port officials say they expect to be shipping large volumes of container traffic out of the region by this summer.**

Source: <http://www.djc.com/news/co/11141674.html>

[[Return to top](#)]

Agriculture Sector

17. *February 05, High Plains Journal* — **Poultry disease shows up in Arizona. The governor of Arizona declared a state of emergency Tuesday after Exotic Newcastle Disease was found in chickens at an Indian reservation in the western part of the state. The state Department of Agriculture was expected Wednesday to quarantine Yuma County, La Paz County, and part of Mohave County south of the Grand Canyon, said Lori Faeth, natural resources adviser to Gov. Janet Napolitano.** A USDA lab announced that the birds had contracted Exotic Newcastle Disease, which has led to the slaughter of 1.7 million chickens in California and about 1,600 birds in Nevada. The backyard flock was found on land owned by the Colorado River Indians Tribe near Poston, Arizona. The state agriculture department received a call last week from a resident that had overheard that another resident had lost about 30 chickens from their backyard chicken flock, Rae Chornenky, spokesperson for the Arizona Department of Agriculture said. **The rest of the flock, about 20 birds, was immediately euthanized and the tribal government quarantined all domestic birds on the reservation.**

Source: <http://www.hpj.com/testnewstable.cfm?type=storynt>

[[Return to top](#)]

Food Sector

18. *February 05, New York Times* — **U.S. delays suing Europe over ban on modified food. The Bush administration has decided to postpone filing a case against the European Union for its ban on genetically modified food, according to a senior administration official. A cabinet meeting to consider the suit was canceled this week as European agricultural officials**

descended on Washington to argue for patience. **Even so, the conflict will resurface soon.** Robert B. Zoellick, the United States trade representative, has said he believes that **genetically modified food could help alleviate hunger, as well as open markets for American farmers, and wants the European opposition to be confronted so that developing nations accept food from genetically modified crops.** Ann M. Veneman, the United States agriculture secretary, has said that "our patience is just running out." Franz Fischler, the European Union's farm commissioner, said that he met with Veneman and told her the problem would be resolved within three or four months. **"We do not have a fundamental opposition to genetically modified food," said Fischler at a press conference today. "We are in the final phases of passing our laws in Parliament and we would strongly advise not to start an action that would disrupt that."** Experts agree that the United States could win a case at the World Trade Organization and force a lifting of the four-year-old ban.
Source: <http://www.nytimes.com/2003/02/05/international/europe/05TRA D.html>

[\[Return to top\]](#)

Water Sector

19. *February 05, Virginian-Pilot* — **Trooper shot in Accomack raid.** A Virginia state trooper was shot and one person was killed during a raid Tuesday night on an Eastern Shore home where a man was sought for threatening to poison Virginia's water supplies, according to police, paramedics, and court records. Another occupant of the house shot and wounded the trooper, and authorities returned fire, killing the shooter. **An unidentified person reported to the Accomack County Sheriff's Department two weeks ago that Ipolito Campos said he was sent here to poison Virginia's waters and "if he did not poison the water someone would kill him," according to federal court records. Campos was taken into custody.** While he is not now charged with making the water threat, he is charged with having fraudulent immigration documents and using a false Social Security number. That case will likely go to a federal grand jury. The Immigration and Naturalization Service informed the FBI that it had no record on Ipolito Campos. Immigration documents on file with a seafood company where Campos worked do not exist in INS files, and the Social Security number Campos provided to the business belongs to someone else, the records say. **The reported threat to the water supplies remains under investigation by the region's Joint Terrorism Task Force, but no credible evidence exists that any plan to carry out such an attack was in place. The task force was set up after the Sept. 11 attacks to investigate such reports.**
Source: <http://www.pilotonline.com/news/nw0205pol.html>

20. *February 04, Daily Herald (Everett, WA)* — **Water district upgrades its security.** The Alderwood Water District, in Washington, has become one of the first in the nation to take advantage of a program designed to increase security of the nation's water supplies and to put in place an early warning system should intelligence gathering systems perceive an imminent attack on the water supply. After undergoing a federally mandated "vulnerability assessment" that is monitored by the Environmental Protection Agency, the Alderwood district decided to subscribe to a program labeled "WaterISAC," or Information Sharing and Analysis Center. **For an annual fee, the district receives some computer hardware and secure access to an Internet portal that lists any threats to water systems in the United States. For Alderwood general manager Arden Blackledge, being a subscriber**

to the program is much like having an insurance policy on a car. "We would have a hard time facing the liability that would occur if we had an incident and we had not invested the time and money to have had this information available ahead of time," he said. The Alderwood district, the fifth largest in the state, supplies water and wastewater services to more than 200,000 people.

Source: <http://www.heraldnet.com/Stories/03/2/4/16450729.cfm>

[[Return to top](#)]

Public Health Sector

21. *February 05, VNUNET.com* — **Grid computing tackles killer disease.** UK medical researchers are using grid computing technology to help find a cure for smallpox. **The universities of Oxford and Essex are working with IBM to create a global grid of PCs to help find a drug that will treat victims of the killer virus. IBM is providing its p690 servers and DB2 database for the central infrastructure, which will link to two million PCs using specialist software from United Devices. The database will handle 15 million queries a day generated by the computing grid.** The results of the project will be delivered to the U.S. Department of Defense. Although there is a vaccination to prevent smallpox, there is still no known cure.

Source: <http://www.vnunet.com/News/1138507>

22. *February 05, University of Michigan* — **Vaccine shortage study shows many doctors scrambling to help children get necessary shots. An ongoing national shortage of a vaccine that prevents meningitis and pneumonia in children has left doctors scrambling to provide even the minimum number of shots, and has exposed gaps in the nation's "patchwork" vaccine system, the first-ever in-depth study of the problem finds.** Three-quarters of 405 doctors' offices surveyed in 12 states reported problems with consistently getting enough of the potentially life-saving vaccine known as Prevnar, and more than half said they had run out completely at least once. The survey was conducted by researchers at the University of Michigan Health System's Child Health Evaluation and Research (CHEAR) Unit, who have funding from the U.S. Centers for Disease Control and Prevention (CDC) to conduct studies of vaccine issues. They found great variation among states in availability of Prevnar, or heptavalent pneumococcal conjugate vaccine. **Many of the doctors' offices said they had borrowed Prevnar from public stocks reserved for poor and uninsured children in order to vaccinate privately insured children, or vice versa, as their stock ran out.** The CDC and the American Academy of Pediatrics recommended Prevnar for children under age 2 in mid-2000, after its approval by the Food and Drug Administration that year. **The Prevnar shortage began in 2001, and may continue through 2003, due to high demand and manufacturing problems.**

Source: <http://www.med.umich.edu/opm/newspage/2003/vaccine.htm>

[[Return to top](#)]

Government Sector

23. *February 05, CNN* — **Powell lays out U.S. case at UN.** In opening remarks on Wednesday to the UN Security Council, U.S. Secretary of State Colin Powell says Iraq has made no effort to disarm. **The regime of Iraqi President Saddam Hussein has engaged in an "active and systematic effort" to hide its weapons of mass destruction from U.N. weapons inspectors and has given training and safe harbor to al Qaeda terrorists, Secretary of State Colin Powell told the U.N. Security Council on Wednesday.** In a highly anticipated presentation, Powell used electronic intercepts, satellite photographs and other intelligence sources to try to convince skeptical members of the council that Iraq had failed to comply with U.N. resolutions and was actively working to deceive weapons inspectors. "I cannot tell you everything that we know," Powell said. "But what I can share with you, when combined with what all of us have learned over the years, is deeply troubling." Powell spoke quickly and forcefully as he made the U.S. case to the council. **He began by playing audiotapes of what he said were two Iraqi officials discussing an upcoming inspection by U.N. officials. He said that Iraq had designed its chemical weapons program to make it easier to conceal from inspectors. He said that Iraqis used bulldozers to scrape away the topsoil at suspected sites to hide chemicals that would be absorbed into the ground.** Powell presented a satellite photograph that he said showed Iraqi officials cleaning out the bunkers ahead of another inspection. Other photographs illustrated caravans of trucks at other suspected chemical weapons and ballistic missile sites just two days before inspections resumed, he said. **The secretary of state said four different sources have said that Iraq has built sophisticated, mobile biological weapons production and research facilities that could be used to make anthrax, ricin and other agents. He said that Iraq had at least seven of the mobile facilities that could be concealed on 18 trucks.** Powell said U.S. intelligence believes Iraq has a stockpile of between 100 and 500 tons of chemical weapons and 16,000 battlefield rockets and that Saddam has authorized field commanders to use them. **He said Iraq has failed to account for four tons of VX nerve gas — adding that a single drop of the chemical can kill a person.** "We have evidence these weapons existed," Powell told the Security Council. "What we don't have is evidence from Iraq that they have been destroyed or where they are." After Powell's presentation, each member nation was given an opportunity to speak for six to eight minutes apiece. U.N. Secretary-General Kofi Annan and the two chief U.N. weapons inspectors, Hans Blix and Mohammed ElBaradei, also attended but were not expected to speak.

Source: <http://www.cnn.com/2003/US/02/05/sprj.iqr.powell.un/index.ht ml>

24. *February 05, Associated Press* — **Reserves call-up now tops 110,000.** Under an order signed by President Bush three days after the 2001 terrorist attacks, up to 1 million guard and reserve troops can be called to serve for up to two years. **More than 110,000 National Guard and reserve forces are now serving around the nation and overseas as the United States continues its buildup for a possible war with Iraq.** In its weekly accounting of those called to active duty, the Pentagon said Wednesday that the number mobilized has jumped by some 17,000 in the past week, the third consecutive large weekly increase and second largest since the September 2001 terrorist attacks on America. That brings the total now serving to 111,600, said Lt. Col. Dan Stoneking, a Pentagon spokesman. **Activated troops include 80,000 from Army National Guard and Army Reserve, 5,600 from the Naval Reserve, 11,700 from the Air National Guard and Air Force Reserve, 12,280 from the Marine Corps, and nearly 2,000 Coast Guard reservists.** Among the units called up were sailors from the Bronx, Buffalo, and Fort Dix, New Jersey; Utah soldiers in the 419th Transportation Company; Iowans for the 949th Medical Detachment; and reservists from Florida, Georgia, Mississippi and South

Carolina and Alabama for the 87th Division Army Reserve. Some 100,000 American forces have now been assembled in the Persian Gulf region. The number is expected to approach 180,000 within a few weeks.

Source: <http://www.cbsnews.com/stories/2003/01/11/iraq/main536144.shtml>

25. *February 04, Government Executive Magazine* — **Coast Guard says budget request will delay Deepwater.** A project to upgrade the Coast Guard's aging fleet will fall behind schedule if it does not receive more than the \$500 million slated for it in the president's 2004 budget request, a Coast Guard spokeswoman said Tuesday. **At proposed funding levels, the multibillion project, known as Deepwater, will likely extend beyond its planned 30-year time frame, according to Lt. Cmdr. Andrea Palermo, a Coast Guard spokeswoman. The 30-year estimate was based on the program being funded at \$500 million annually in 1998 dollars, she said. This would amount to \$578 million for fiscal 2004, but the administration's budget request does not adjust for inflation.** This would not be the first year that funding for the program has fallen short, said Loren Thompson of the Lexington Institute, an Arlington, Va.-based defense consulting group. Thompson estimated that in the past three years, the program has been funded at nearly \$400 million below the level originally planned. "The impact will be quite serious," Thompson said. "The Coast Guard is already operating the oldest fleet in the world. Its aircraft and communications systems are antiquated. Without adequate funding, it will not be equipped for the future." **The Deepwater acquisition project is a \$17 billion effort aimed at replacing old ships and aircraft and outfitting vessels with state-of-the-art navigation and communications equipment. The project focuses on modernizing equipment used for missions at least 50 miles offshore, such as drug seizures, tracking down illegal immigrants and carrying out search-and-rescue missions.**

Source: <http://www.govexec.com/dailyfed/0203/020403a1.htm>

[\[Return to top\]](#)

Emergency Services Sector

Nothing to report.

[\[Return to top\]](#)

Information and Telecommunications Sector

26. *February 05, Microsoft* — **Microsoft Security Bulletin MS03-005: Unchecked buffer in Windows Redirector could allow privilege elevation.** A security vulnerability exists in the implementation of the Windows Redirector on Windows XP because an unchecked buffer is used to receive parameter information. By providing malformed data to the Windows Redirector, **an attacker who successfully exploited this vulnerability could cause the system to fail, or could cause code of the attacker's choice to be executed with system privileges. Code running with system privileges could provide the attacker with the ability to take any desired action on the machine, such as adding, deleting, or modifying data on the system, and creating or deleting user accounts.** This vulnerability cannot be exploited remotely. Windows XP systems that are not shared between users would not be at risk. The

vulnerability could only be exploited by an attacker who had valid credentials to interactively log onto the computer. **Microsoft has assigned a severity rating of "Important" to this vulnerability. A patch is available at the Microsoft website.**

Source: <http://www.microsoft.com/technet/treeview/default.asp?url=/technet/security/bulletin/MS03-005.asp>



27. *February 05, Microsoft* — **Microsoft Security Bulletin MS03-004: Cumulative patch for two vulnerabilities involving Internet Explorer's cross-domain security model. A flaw in Internet Explorer could allow a malicious web site operator to access information in another internet domain, or on the user's local system by injecting specially crafted code when certain dialog boxes were presented to the user.** In the worst case, this vulnerability could allow an attacker to load a malicious executable onto the system and execute it. The attacker would have no way to force a user to a malicious web site. The vulnerability results because it is possible when using dialog boxes to bypass the cross-domain security model that Internet Explorer implements. **A related cross-domain vulnerability allows Internet Explorer's showHelp() functionality to execute without proper security checking.** In this scenario, the attacker could open a showHelp window to a known local file on the visiting user's local system and gain access to information from that file by sending a specially crafted URL to a second showHelp window. The attacker could also potentially access user information or run code of attacker's choice. **Microsoft has assigned a risk rating of "Critical" to these vulnerabilities. A patch is available at the Microsoft website:** <http://www.microsoft.com/windows/ie/downloads/critical/810847/default.asp>. **Applying the patch, however, will disable the HTML Help functionality because HTML Help was one of the attack vectors. Users who apply this patch are also encouraged to download the HTML Help update after applying this cumulative patch in order to restore HTML Help functionality.**

Source: <http://www.microsoft.com/technet/treeview/default.asp?url=/technet/security/bulletin/MS03-004.asp>

28. *February 03, General Accounting Office* — **Telecommunications: Comprehensive Review of U.S. Spectrum Management with Broad Stakeholder Involvement Is Needed.** The General Accounting Office (GAO) published GAO-03-277 entitled "Comprehensive Review of U.S. Spectrum Management with Broad Stakeholder Involvement Is Needed". The report was published on Monday and is dated January 31. Radiofrequency spectrum—a natural resource used for wireless communications—is a critical input to various commercial and government functions. **Because of expanding commercial and government demand for spectrum, there is increasing debate on how best to manage this resource to meet current and future needs.** GAO was asked to examine whether future spectrum needs can be met, given the current regulatory framework; what benefits and difficulties have arisen with the application of market mechanisms to spectrum management; and what barriers exist to reforming spectrum management. **The GAO recommends that the Chairman of the Federal Communications Commission and the Assistant Secretary of Commerce for Communications and Information, in consultation with other agencies and congressional committees, develop a plan for the establishment of an independent commission with wide representation to determine whether overarching spectrum management reform is needed.**

Source: <http://www.gao.gov/cgi-bin/getrpt?GAO-03-277>

Internet Alert Dashboard

Current Alert Levels	
 AlertCon: 1 out of 4 https://gtoc.iss.net	 Security Focus ThreatCon: 1 out of 4 www.securityfocus.com
Current Virus and Port Attacks	
Virus:	#1 Virus in the United States: WORM_KLEZ.H Source: http://wtc.trendmicro.com/wtc/wmap.html , Trend World Micro Virus Tracking Center [Infected Computers, North America, Past 24 hours, #1 in United States]
Top 10 Target Ports	137 (netbios-ns), 1434 (ms-sql-m), 80 (http), 1433 (ms-sql-s), 53 (domain), 21 (ftp), 139 (netbios-ssn), 445 (microsoft-ds), 135 (???), 4662 (???) Source: http://isc.incidents.org/top10.html ; Internet Storm Center

[[Return to top](#)]

General Sector

Nothing to report.

[[Return to top](#)]

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